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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20503

National Intelligence Officers

MORI review(s)  
completed.

30 June 1978

MEMORANDUM FOR: The NFIB Representatives

SUBJECT : Review of IIM, "The Conflict in the Western Sahara"

REFERENCE : NI IIM 77-008J of June 1977

1. When we reviewed the referenced Interagency Intelligence Memorandum in December 1977 and found it still current it was agreed that we would consider it again six months later. However, a review of the principal judgments of the IIM indicates to me that the situation in the Western Sahara has not changed significantly in the past 12 months and that the conclusions of our IIM are not only valid today, but that they will probably remain valid at least to the end of 1978.

2. I therefore propose that we defer a meeting to review the IIM until December 1978. Please telephone your concurrence, disagreement, or comments on this proposal to [redacted] by Friday, 14 July 1978.

[redacted]  
National Intelligence Officer for the  
Near East and South Asia

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**Interagency  
Intelligence  
Memorandum**

*The Conflict in the Western Sahara*

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NI IIM 77-008C

June 1977

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## CONFLICT IN THE WESTERN SAHARA

### PRINCIPAL JUDGMENTS

Morocco and Mauritania are tenaciously maintaining their hold on the former Spanish Sahara despite persistent harassment by the guerrillas of the POLISARIO front. Algeria refuses to recognize the Moroccan-Mauritanian annexations, advocates self-determination for the Sahara, and gives substantial material support to the POLISARIO insurgency. In the short term, there appears to be little chance of a negotiated settlement of this conflict.

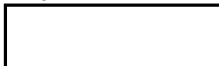
The POLISARIO movement has caused a significant amount of Moroccan and Mauritanian resources to be used for countering guerrilla activity. As long as the flow of Algerian military supplies is continued and their Algerian safehaven is maintained, the guerrillas should be able to operate almost indefinitely. Numbering only some 3,000 to 5,000 combatants, however, and hampered by logistic constraints and their heavy dependence on limited sources of external military support, they do not pose a strategic military threat to either Morocco or Mauritania. Nor do we believe that the POLISARIO can, at its own initiative, significantly upgrade its existing military force.

During the next two years, the current situation will probably continue:

- Morocco and Mauritania will strive to consolidate their political control over the territory, alleging that integration of the Sahara fulfills the desires of the Saharan people, but avoiding any referendum. They will control the principal population centers but will not be able to eliminate the guerrilla movement so long as it is sustained by Algeria.
- the POLISARIO will continue to move through the countryside harassing Moroccan and Mauritanian forces, and on occasion scoring minor military successes, some of considerable propaganda value.
- Algeria will continue its support of the POLISARIO and will try to keep the issue before international forums. Algeria will not, however, seek outside help other than diplomatic support as it does not wish to dilute its influence over the POLISARIO.

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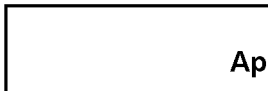
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— Internationally, most countries, while withholding formal recognition, will regard the Sahara annexation by Morocco and Mauritania as a fait accompli. There is little likelihood that the Soviets will become involved in the conflict on a large scale, since they do not want to jeopardize their relations with Morocco by providing direct support to the POLISARIO.

Prospects for a reduction in tension in the short run are dim because of the lack of negotiating flexibility exhibited by all parties, which in turn results partly from the moderate military losses being inflicted on either side. Serious political, economic, and military restraints, however, will probably keep the conflict from escalating into a conventional war between Algeria and Morocco.

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## BACKGROUND

The coup in Portugal in April 1974 and Lisbon's subsequent decision to grant its African territories independence prompted King Hassan II of Morocco to press Madrid to pull out of the Spanish Sahara. Rabat was convinced that Spain would not wish to remain long as the only significant colonial power in Africa.

On 20 August 1974, Spain notified the UN Secretary General of its intention to hold a referendum on self-determination in its overseas province. Morocco seized upon the announcement to reassert its claims to the phosphate rich territory. Rabat argued that in the precolonial era Moroccan rulers intermittently exercised varying degrees of control over much of this territory, as well as portions of western Algeria, Mauritania, and parts of Mali.

Indeed, it was not until 1970—14 years after achieving its own independence—that Morocco recognized Mauritania and dropped its claims to that country. Rabat's feud with Algeria over the region stretching from the area south of Bechar and including Tindouf was the cause of a brief border war in 1963. Both countries signed an agreement in 1972 delineating a common boundary, but Rabat has not yet ratified the accord.

In conjunction with Rabat's aggressive political campaign to recover the Sahara in 1974, Mauritania took the occasion to voice its own territorial claims. The former Spanish Sahara has no natural frontiers and shares its southern and virtually all of its eastern border with Mauritania. The nomadic tribes of the Sahara have traditionally roamed across those borders, as well as across into Morocco.

Mauritania's assertion of its own territorial ambitions resulted in a brief period of tension with Morocco. A reconciliation was effected by September 1974 when the two countries agreed to submit their case to the International Court of Justice for a legal opinion. By the end of the year, Rabat and Nouakchott agreed in principle to partition the territory.

In May 1975, Madrid announced it was prepared to transfer sovereignty of the territory. Five months later the International Court of Justice concluded that, although certain ties of allegiance existed between Morocco/Mauritania and the Western Sahara prior to Spanish colonization, these did not support a claim of territorial sovereignty for either party. The principle of self-determination was upheld.

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Algeria, for its part, sought to secure an independent Spanish Sahara amenable to Algerian influence. Algiers was concerned that Rabat's acquisition of additional territory would enhance Morocco's role in North Africa at the expense of Algerian interests.

Nevertheless, Rabat moved ahead with its plans for annexation by organizing the "Green March" into the Sahara by some 350,000 unarmed civilians in early November 1975 while Spain remained in control. This compelled Madrid to agree to a phased transfer of administrative responsibility, but not sovereignty, to Morocco and Mauritania. Spain withdrew from the Spanish Sahara in February 1976, advocating a self-determination for the Saharan people—a stance it has continued to maintain. On 14 April Morocco and Mauritania formalized their annexation of the Sahara by announcing new boundaries; Rabat gained the phosphate-rich northern two-thirds.

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## DISCUSSION

## Who Owns the Sahara?

1. Morocco and Mauritania exercise de facto control over most of the former Spanish Sahara. United Nations General Assembly resolutions have upheld the right of self-determination of the Saharan people, but both governments claim that the convocation of the Saharan territorial assembly in February 1976 and the vote of some 60 of its original 102 members to integrate the Sahara into Morocco and Mauritania constituted compliance. They further cite the participation of the Saharans in the Moroccan and Mauritanian elections during the past year. Neither Spain nor the UN has accepted Rabat's gambit to dispose of the troublesome consultation process.

2. Algeria has remained adamant in its opposition to the takeover. It has supplied both political and military support to the POLISARIO, a guerrilla movement aimed at liberating the Western Sahara from foreign—i.e., Moroccan and Mauritanian—control. Algiers has effectively used the POLISARIO to undermine such control while keeping the dispute before various international forums.

3. Most nations would prefer to side-step this political and legal quagmire. Algerian efforts to convene an extraordinary session of the Organization of African Unity have proved fruitless, although talk of such a meeting continues. Arab mediation initiatives likewise have failed thus far. For the most part, the Sahara annexation appears to be viewed internationally as a fait accompli, although formal recognition has been withheld. In the present circumstances, Morocco and Mauritania retain the upper hand.

## Algeria's Motives

4. Algeria's interest in the Western Sahara stems from geopolitical considerations. Although Algeria's stated support for the independence struggle of the Saharan people is indeed a factor, its historical competition with Morocco for predominance in northwest Africa is the primary motivation. The ideological hostility of socialist, revolutionary Algeria toward the traditionalist and pro-Western regime of King Hassan II has intensified the geopolitical competition.

5. Algeria's objective in the dispute is the establishment of an independent Saharan republic in which it expects to have a predominant influence. This would deny to Morocco the territory's significant economic wealth (phosphates, iron, fishing), and stymie Moroccan efforts to close off future Algerian access to the Atlantic, which might make exploitation of Algeria's rich iron ore deposits near Tindouf economically feasible. President Boumediene, in short, opposes Moroccan assimilation of the Western Sahara because this could reduce Algeria's dominant role in North Africa.

6. Although Algeria has sought to avoid a direct military conflict with Morocco, the Boumediene regime is not likely to accept defeat without making an extended effort to render the Moroccan occupation costly and difficult. Nor will it be willing to agree to a settlement without substantive concessions by Morocco on the principle of self-determination and on the long-standing Algerian-Moroccan border problem. Boumediene is probably currently content to continue a war by proxy, using the POLISARIO to undermine Moroccan and Mauritanian control of the territory. He probably hopes that military discontent resulting from a protracted guerrilla war will eventually lead to a change in leadership or, at least, tie up both Morocco's and Mauritania's energies and resources for a long time.

## Origins of the POLISARIO

7. In 1968, a small group of Saharan students, who had been brought together by conservative Islamic views, formed the Saharan Liberation Front in Rabat. On 17 June 1970, the group staged a political demonstration in El Aaiun, the capital of the Spanish Sahara. Action by the Spanish police to break up the demonstration, in which several persons were killed, is said to have inspired the Front to organize the desert nomad populace, and in 1972 these individuals began to build a guerrilla organization. At its first congress on 10 May 1973, the Saharan Liberation Front became the Frente Popular para la Liberacion de Saguia el Hamra y Rio de Oro<sup>1</sup> (Frente POLISARIO).

<sup>1</sup> Saguia el Hamra and Rio de Oro were the former names of the two regions comprising the Spanish Sahara.

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During the first year of its existence, the movement received most of its military aid from Libya. Once Morocco's King Hassan intensified his efforts to annex the Sahara, however, Algeria began supplying the guerrillas with military equipment while also initiating a political campaign in support of the movement.

8. Sporadic POLISARIO actions against isolated Spanish outposts in the Sahara continued through 1974 and 1975. Following the Madrid agreement which provided for a phased turnover of the territory to Morocco and Mauritania, Spanish forces gradually withdrew to a 70-mile defense perimeter around El Aaiun. The guerrillas moved into the resulting vacuum and operated in much of northeastern and southern Sahara. As first Moroccan, and later Mauritanian, troops moved into the Sahara, POLISARIO guerrillas began to attack these forces.

### The Guerrilla Campaign

9. Some 20 months after the POLISARIO began these operations, the guerrilla war continues. Motivated by the desire to liberate the area under Moroccan and Mauritanian de facto control, the POLISARIO has demonstrated a cohesiveness and staying power which will enable it to pursue its war of attrition so long as Algeria continues to provide military supplies.

10. Estimates of guerrilla strength vary from 3,000 to 5,000 combatants. The core of the movement is drawn from the Reguibat tribe, a nomadic group which has traditionally roamed through vast areas of the former Spanish Sahara, Algeria, Morocco and Mauritania. Historically, these people have resisted foreign control; they are renowned in the region for their fighting capability. Included in their numbers are some of the 2,500 Saharans, largely Reguibat, who served with Spanish troops during Madrid's occupation of the Sahara and shifted their allegiance to the POLISARIO after Spain disbanded its territorial force. Trained by the Spanish, versed in military operations, and familiar with the terrain, water holes, and local population, these personnel are particularly effective fighters.

11. In addition, large numbers of Saharan refugees are concentrated in the Tindouf region of Algeria. Estimates of their numbers vary, but we judge that there are between 30,000 and 45,000, or about half of Western Sahara's previous population. This exiled population base, frustrated and becoming politicized, provides the movement with a source of manpower for

its guerrilla units. The refugees are reportedly undergoing political and military training, geared to the theme of their return to the Western Sahara and the creation of an independent Saharan state. In addition, the POLISARIO can be expected to try to recruit from tribes in northern Mauritania. According to Moroccan sources, the POLISARIO's political programs have raised the refugees' morale, and new Saharan recruits fighting with guerrilla units are highly motivated.

### POLISARIO Politics

12. On 27 February 1976, the day following Spain's withdrawal from the territory, the POLISARIO political arm established a government-in-exile—the Saharan Democratic Arab Republic (SDAR). The SDAR consists of a nine-man cabinet of little-known figures, a revolutionary council, and a legislative authority. Its political orientation reflects the socialist policies of the Algerian government. Only nine African countries plus North Korea have extended official recognition.

13. Although efforts to obtain diplomatic recognition have had little success, POLISARIO leaders have skillfully exploited the international press. Journalists have been given carefully structured tours of POLISARIO refugee camps near Tindouf, have been taken along on guerrilla raids deep into the Moroccan and Mauritanian zones, and have commented favorably on the effectiveness, valor, and determination of the guerrillas. Such dramatic psychological victories as an attack on Nouakchott in June 1976 and a recent raid on Zouerate serve to highlight the POLISARIO movement and bring it international attention. If the press campaign continues to attract widespread public sympathy from Morocco's principal Western backers, in the US and France in particular, it could undermine support for Moroccan and Mauritanian positions over the longer run.

### The POLISARIO's Military Advantages and Successes

14. Familiar with the terrain and accustomed to the harsh desert climatic conditions, the guerrillas have a physical as well as psychological advantage, and have been able to remain on the offensive and evade the conventional forces of Morocco and Mauritania. Initially the guerrillas relied almost entirely on small-scale harassing tactics capitalizing on their small numbers by utilizing the element of surprise and the terrain to their advantage. Rather than attempting to gain control of population centers, they concentrated

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on quick, sharp attacks on targets of opportunity, after which they disappeared into the desert. The use of Land Rovers has contributed to their ability to move long distances over rugged terrain. Weapons in their inventory include small arms, mortars, machine guns, grenade launchers, and the SA-7 Grail surface-to-air missile. Land mines have also been effectively used, particularly in Moroccan-controlled territory, to disrupt military supply columns.

15. The guerrillas continue to move virtually at will throughout southern Morocco, Mauritania, and the Western Sahara. Recently they have also operated from northern Mali, thereby generating closer cooperation between Mali and Mauritania. They have apparently established well-camouflaged supply depots from which they can attack such areas as Nema in southeast Mauritania and Dakhla on the Atlantic, far removed from their sanctuary and primary supply base at Tindouf. Recent information indicates that their ability as a fighting force may be improving as their tactics change. They are increasingly engaging Mauritanian forces directly, probably because they realize that Mauritania is a more poorly defended target.

16. In Mauritania, the guerrillas appear willing to use large groups in sustained combat—a tactic not generally employed against the stronger Moroccan forces. On 1 May they initiated one of their most effectively planned, coordinated, and executed operations in an attack on Zouerate. Using a force reportedly numbering some 500 men with 110 vehicles, the POLISARIO hit Mauritanian and European sectors of the city, the airport, and the iron ore mining facilities. The POLISARIO took some hostages, destroyed two aircraft, and destroyed or damaged a fuel depot, the power station, and conveyor belts at the mine.

17. Mauritania is continuing to augment its army and improve its combat capability to counter guerrilla operations. However, its 7,000- to 10,000-man army lacks the capability to effectively patrol and secure over 1,240,000 square kilometers of territory, most of which is desert. The guerrillas, operating beyond the observation of the Mauritanian armed forces, hold the initiative, while the Mauritania must react to, rather than initiate, offensive operations.

18. In Morocco, the emphasis has been on attacking patrols and convoys and small-scale hit-and-run operations. Precise data on Moroccan casualties is lacking, but [REDACTED] we can deduce that the minimum monthly casualty rate

approximates 10 to 20 killed in action. In any event, at this time the casualty rate appears to be acceptable to the Moroccan populace. [REDACTED]

[REDACTED] while the number of harassing attacks has decreased since last October, there have been more assaults on convoys.

19. This change in guerrilla tactics may be a result of a diversification in Moroccan strategy. Over the past several months the army has been involved in extensive sweep operations, utilizing smaller units for patrols, establishing companies of native Saharans, and engaging in coordinated search and destroy operations. While these more aggressive tactics have not pinned down and eliminated pockets of guerrillas, they have lessened the vulnerability of large groups of stationary Moroccan forces.

20. There are indications that Moroccan patrols posing as irregular forces have crossed the Algerian border, probably with the intent of mining routes the POLISARIO uses for infiltrating Morocco. This tactic, if employed regularly, would considerably up the ante in terms of drawing an Algerian military response. As yet, however, Algiers has not reacted verbally or militarily, indicating the Moroccans are carefully avoiding deep penetrations or direct confrontations.

### The Moroccan-Mauritanian Military Alliance

21. Although the relationship between Morocco and Mauritania has been uneasy for historical reasons, the common guerrilla threat has resulted in increased diplomatic, political, and military cooperation. A Moroccan military liaison group has been established at Nouakchott, reportedly to coordinate military operations as deemed necessary, as well as to coordinate training and assistance programs. In addition, some 250 Moroccans stationed at Bir Mogrein provide artillery and armor support to the Mauritanian army. Elements of the Moroccan 15th Infantry Battalion are at Dakhla and some Moroccan troops are also in Mauritania in the far northern border region. More importantly, the two countries have recently engaged in coordinated sweep operations.

22. Between 1 and 8 January at the request of Nouakchott, about four Moroccan battalions conducted a sweep operation through northern Mauritania to cut off the retreat of an estimated 400 guerrillas operating near Motlani. The maneuver reportedly resulted in 12 Moroccans and 110 to 130 POLISARIO guerrillas killed. The operation was well planned, coordinated, and executed, but even more

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significantly it underscored King Hassan's commitment to ensuring the internal security of Mauritania.

23. While Mauritania has recently been the hardest hit by guerrilla activity and its small army could become overtaxed, we believe that should Mauritania be seriously threatened, Morocco would provide the necessary military aid. The exchanges of high-level delegations between Morocco and Mauritania during March following two of the POLISARIO's most successful engagements and also following the Zouerate raid last May portend further military cooperation. A Moroccan logistic supply route now includes two air bases in Mauritania—Dakhla and Bir Mogrein—and another at Bir Enzaran near the newly demarcated border. The possibility of stationing a T-6 ground attack strike force in northern Mauritania is also under consideration. Such increased cooperation could eventually ease the Mauritians' burden of fending off continuing guerrilla activity.

24. While accepting the need for Moroccan help, the Mauritanian leadership is concerned at the possible political implications of the increasing Moroccan presence in Mauritania. Nouakchott is not likely to forget that Rabat's historical claims also include Mauritanian territory and that this claim was official Moroccan policy as late as 1969. However, Morocco appears to be fully aware of this Mauritanian concern, and we believe that the commonly perceived need to coordinate military activity as well as to present a common political position should, in the near term at least, prevent any flareup of old antagonisms.

#### Guerrilla Limitations

25. The POLISARIO has proved a resilient fighting force capable of diverting a significant amount of Moroccan and Mauritanian resources. At the same time, however, its lack of trained manpower, its logistic restraints, and heavy dependence on outside military support reduce its ability to improve substantially its military posture.

26. There are severe limitations on the POLISARIO's outside support. Although Algeria, its prime benefactor, is committed to backing the POLISARIO politically and providing sufficient weapons, materiel, and training to maintain guerrilla activity, there has been no indication that Algerian military units have been involved in POLISARIO activity outside Algeria since the clashes around Amgala in early 1976. Libya,

which also provides small arms and ammunition and generally supports Algeria on the Sahara issue, has not extended recognition to the POLISARIO government-in-exile.

27. Rumors that Cubans are training the POLISARIO in Algeria have frequently surfaced. We cannot confirm the presence of Cubans but neither can we rule out the possibility that a token number may be involved in guerrilla training within Algeria. Boumediene's strong nonaligned position and Algerian capability to provide effective training would tend to rule out any more than symbolic Cuban assistance. Moreover, according to an untested source, Boumediene criticized Castro during his recent visit to Algeria for Cuba's "growing role in the polarization of Africa," indicating a possible rift between the two heads of state.

28. Despite periodic guerrilla attacks on economic targets such as the Bu Craa phosphate conveyor belt in Moroccan-controlled territory and the iron ore mining facilities and rail line in Mauritania, the POLISARIO has not succeeded in seriously disrupting foreign exchange earnings from these minerals. When the phosphate conveyor belt was cut, the Moroccans trucked the phosphate to port facilities. Although this is not a totally effective alternative, the depressed world phosphate market has lessened the significance of the reduction in phosphate exports from the Sahara. Rabat has a substantial unsold surplus at home. The Mauritians have prepared for the possible disruption of iron ore mining operations by stockpiling ore; they are trying to maintain about 1.5 million tons at Nouadhibou Port. We estimate that the guerrillas would have to put the rail line out of operation for several weeks before damaging the Mauritanian economy. If French managerial personnel at the mines become intimidated and depart, however, production would be sharply curtailed.

29. We anticipate no conclusive military victory in the ongoing conflict. While the POLISARIO is currently unable to pose a sustained threat to strategic targets or gain control of populated areas, Moroccan and Mauritanian forces likewise are unable to eliminate the mobile and evasive guerrillas. Barring any unforeseen increase in military support for the guerrillas or large-scale recruitment, the situation will remain stalemated.

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## Political and Economic Consequences of a Protracted Guerrilla War

### Morocco

30. The stability of King Hassan's regime is closely linked to the success of his Saharan venture. The popularity of his actions to date leaves him little room to make concessions, and puts pressure on him to continue to prosecute the war against the POLISARIO, even if it means increasing support for Mauritania in the event that Nouakchott is unable to hold up its end of the alliance. A continuation of the war at about the current level poses two potential threats to Hassan. Although we judge these threats to be relatively minor at present, they both will become more serious over time.

31. The inevitable strains of an inconclusive conflict have probably led to some degree of dissatisfaction within the military. The army has suffered from low morale, poor discipline, lackluster leadership at the local level, and a poor logistics system. These shortcomings have compounded the frustration of troops engaged in a no-win situation in the desolate Sahara. Additionally, various reports have indicated some dissatisfaction within the military with Hassan's policy of avoiding direct attack on POLISARIO bases in Algeria. Hassan appears to be in full control of his military, however, and that situation is unlikely to change during the coming year. Having capitalized on the Sahara issue to increase his popularity, he now appears to be in his strongest position vis-a-vis the military since the abortive coups of 1971 and 1972. Morocco's successful intervention in Zaire should further boost his prestige with the military.

32. A more serious difficulty is the possibility that the economic burden of the Saharan conflict could lead to increased social unrest. Though we cannot measure precisely the war's cost, military expenditures are partly responsible for the current strains in the Moroccan economy. The inflation rate is approaching 20 percent, the government has halved its program of subsidies for consumer goods, and unemployment is rampant in urban areas. Politically aware elements increasingly believe that the Saharan operation and the related support for Mauritania are major causes for high inflation, unemployment, and shortages of consumer items.

33. Morocco's overall economic situation in 1977, however, appears relatively more favorable than it was last year. Massive loan commitments and grants this year, perhaps eventually totaling \$775 million,

from oil-rich Arab states will largely cover its Saharan expenditures. In addition, the current trend toward political liberalization, including the reduction of press censorship and the election of a new parliament, could serve as a safety valve for dissatisfaction over economic issues. On balance, given widespread popular support for Hassan's Saharan policy, the present level of conflict probably will not cause serious problems for the Moroccan regime within the next two years, barring an unforeseen termination of the country's foreign subsidies.

### Mauritania

34. Mauritania, the weakest party to the Sahara dispute, is in the most vulnerable position and the POLISARIO has tried to exploit this. Algeria has also exerted pressure on Nouakchott through caustic propaganda attacks and hostile economic actions, including the distribution of counterfeit banknotes in Mauritania. These tactics are clearly intended to drive a wedge between Rabat and Nouakchott and ultimately to force Mauritania to abandon its role in the Sahara.

35. It is conceivable, though hardly likely if present circumstances continue, that Mauritania might at some point, under strong pressure, decide that the effort to retain its share of the Western Sahara is too costly in both domestic political and economic terms. Mauritanian frustration with the seemingly endless guerrilla war is growing and serious domestic discontent may eventually develop, especially among Mauritanian blacks, who constitute the bulk of the army's rank and file and who have little enthusiasm for what in their view is essentially an Arab conflict.

36. From a diplomatic and geopolitical standpoint, Mauritania's position is crucial to Morocco. Should Mauritania give up its claims to the Sahara, Morocco would be placed in an embarrassing situation internationally and the credibility of its claims to the Sahara undermined. Conversely, Algeria's position would be considerably strengthened in such forums as the OAU and the UN. Militarily, though Morocco would be able to continue the conflict, a Mauritanian withdrawal would increase the strain on Moroccan forces in its portion of the Sahara. The POLISARIO's ability to harass Moroccan troops would increase considerably, however, if Mauritania turned a blind eye to POLISARIO transit through Mauritania.

37. The POLISARIO and Algeria are not likely to succeed in forcing a Mauritanian withdrawal in the absence of sustained, significantly increased military

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pressure and as long as Moktar Ould Daddah retains his leadership in Nouakchott. Although the guerrilla campaign has strained Mauritania's limited economic resources, loans and grants from wealthy Arab oil producers—which may amount to about \$200 million in 1977—will ease the burden. With continued Arab financial backing, the Mauritians can probably bear the Sahara-related costs without serious economic dislocation. At least in the short run, Nouakchott will continue to follow Rabat's lead in the hope of retaining its share of the Western Sahara. Military cooperation between the two sides has increased and the Moroccans are determined to provide the necessary support to keep Mauritania on its side.

#### Algeria

38. The Boumediene government can continue to support the present low level of guerrilla activity in Western Sahara without serious political repercussions. The Algerians believe that time works in favor of liberation movements and hope to keep the Moroccans and Mauritians bogged down fighting a long and costly insurgency. Although Boumediene has suffered a loss of prestige as a result of his failure to prevent the takeover of Western Sahara, his domestic position still appears secure. Boumediene is likely to continue supporting the POLISARIO guerrillas so long as they remain willing to fight and Morocco is unwilling to seek a face-saving compromise.

39. Algeria will be able to sustain its commitment at a relatively small cost. Financing the insurgency is not a significant drain on Algerian resources and has not interfered with economic development, Algeria's number one priority.

#### Military Developments

##### The Moroccan Response

40. In order to meet the requirements of controlling the additional Saharan territory as well as to maintain a state of preparedness in the event of hostilities with Algeria, Morocco augmented its army by some 10,000 men in 1976. Out of a total of some 82,000 army personnel, 29,000 combat troops plus service and support elements are now deployed from Agadir southward. Major concentrations of Moroccan troops in Western Sahara include at least one infantry regiment at Semara, one infantry regiment at El Aaiun, and one infantry regiment at Bu Craa, plus one artillery and nine infantry battalions deployed in various other locations. The southern military zone has been divided into two sectors. One sector

headquarters has already been established at El Aaiun and there are plans for an additional one at Zaag. This move may alleviate discontent by some military personnel in the Sahara who resented being under the operational command of officers headquartered at Agadir far from the harsh conditions of the Sahara and the ongoing guerrilla campaign. The establishment of a separate military region at Zaag would also stress Rabat's concern over Algerian troop concentrations at Tindouf.

41. Additional efforts are being made to improve the combat effectiveness of the army. A major reorganization of the army's logistical and maintenance system, including the establishment of additional maintenance and repair battalions, is underway. The promotion of over 200 officers in 1976, the replacement of 30 commanders of battalion-size units, and the establishment of a regimental command structure should improve both morale and command and control. In addition, large quantities of transport vehicles and armored personnel carriers have been obtained from Western sources, and some 50 Mirage F-1 aircraft are on order from France. Arms purchases have been primarily financed by Arab countries; Saudi Arabia, Kuwait, and the United Arab Emirates have been the most forthcoming. In addition, South Korea has agreed to provide counterinsurgency training for Moroccan army NCOs and officers.

##### Algeria Upgrades Conventional Forces

42. Concerned over Moroccan expansion in the Sahara and fearing that Rabat might eventually press old claims to the Algerian southwest border region, the Algerian government began plans for upgrading its armed forces in the fall of 1975. By maintaining a superior military inventory, Boumediene presents a show of force certain to have a restraining effect on Morocco.

43. The Soviet Union, Algeria's primary supplier of military hardware, contracted with Algiers for some \$500 million in equipment in 1975. Estimated deliveries have thus far included: at least 6 MIG-23 and 47 MIG-21 aircraft, 16 MI-8/Hip helicopters, 70 T-62 tanks, armored vehicles, artillery, and air defense equipment. Algeria has also received at least 30 T-62 tanks and 30 armored vehicles of Soviet origin from Libya.

44. Algeria has also augmented its army by calling 15,000 to 20,000 reservists to active duty in late 1975. Algerian forces are concentrated in the more densely populated northern one-third of the country, but as a

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result of Morocco's actions in the Sahara. Algeria has also augmented its forces at Tindouf. Prior to the rise in tensions with Morocco the equivalent of one infantry brigade was deployed at Tindouf. Current estimates indicate the presence of major elements of 3 brigades. MIG-15 and MIG-17 fighter aircraft are normally deployed at the Tindouf airfield. In February 1976 when tensions peaked, MIG-21s were also deployed there, but they have since been withdrawn. The deployment of additional units to the Tindouf region serves as a show of force to deter a Moroccan offensive as well as to defend the territory should it come under attack.

#### Restraints Against a Moroccan-Algerian War

45. Both Morocco and Algeria are strengthening and modernizing their armed forces, wary of the possibility that continued animosity may one day erupt in hostilities. We expect, however, that current diplomatic, political, economic, and military factors will act as deterrents to the outbreak of a conventional war.

#### Moroccan Deliberations

46. Occasional reports have surfaced indicating strong sentiments within the Moroccan military for direct strikes against POLISARIO sanctuaries in Algeria, even at the risk of war. King Hassan, however, is unlikely to initiate direct hostilities against Algeria. He no doubt fears that a humiliating defeat or even an inconclusive standoff could cost him his throne. In addition, both Hassan and his senior advisers recognize that an overt military move into Algeria would undercut the diplomatic support Morocco has laboriously worked to achieve in international forums and particularly in the Arab world.

47. Algeria's numerical advantage in major items of military equipment, particularly tanks, APCs and jet fighters, will weigh heavily on Moroccan considerations of a conventional war (see Table 1). Although it would be hard pressed to cope with a major threat to the entire border area, the Moroccan army is capable of containing an Algerian attack at any one point along the border for a few days. A Moroccan attack

Table 1

#### Comparison of Military Forces

	Morocco	Algeria
<b>Personnel</b>		
Army	82,000	80,000
Navy	4,150	3,800
Air Force (pilots/jet-qualified)	7,000 (100/45)	5,000 (250/125)
<b>Selected Armaments</b>		
<b>Tanks</b>		
Medium	90	440
Light	125	0
APCs	200	610
Artillery & mortars (over 100 mm)	595	430
Air defense artillery	170	445
SAMs	<sup>1</sup>	18 SA-2 launchers (32 missiles) <sup>1</sup> SA-6 missile systems <sup>2</sup>
Light bombers	0	23
Transports	25	10
Jet fighters	41	190
Transport helicopters	16	55
Missile patrol boats	0	11
<b>Foreign military advisers</b>		
France	177	90
USSR	10	500-600
Iran	10	
Italy	9	

<sup>1</sup> Unknown number of shoulder-fired SA-7/Grail SAMs in country.

<sup>2</sup> Unknown quantity of equipment (minimum of one battalion).

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against the disputed Tindouf region, however, would leave the strategic northern region susceptible to an Algerian counteroffensive. Moroccan defenses from Oujda to Zagora and as far west as Errachidia (formerly Ksar es Souk) include 15 battalions, only two of which are currently equipped with tanks.

48. In terms of diversion of economic resources, a war lasting two to three weeks would probably not have much of an effect. Last year Morocco's economy recovered smoothly from the 1974-75 recession, partly because of a better harvest and an improving—but still depressed—phosphate market. Nevertheless, the economy remains precarious and the country has serious balance-of-payments problems; major additional strains—such as a long war—would interfere with development plans and exacerbate existing difficulties.

49. Rabat is entering into the last year of a five-year plan, 1973-77, and is formulating new plans that will cost over \$300 million to develop the Saharan territory. Rabat hopes to obtain financing from various Arab sources for more development of its domestic mineral resources—especially phosphates. Hassan has also been promoting the formation of an Arab mineral exporting bloc similar to OPEC. A long war with Algeria would destroy attempts at regional cooperation and jeopardize Moroccan efforts to obtain Arab and Western financing.

#### Algerian Limitations

50. The Algerians do not want a direct military confrontation with Morocco and they probably expect the POLISARIO, following the Algerian example, to bear the brunt of its own struggle for independence. Inasmuch as Algiers has maintained that it has no territorial claim to Western Sahara, it would be difficult to justify at home and abroad the initiation of hostilities with Morocco. The Algerians would respond, however, if the Moroccans provoke them with conventional military raids.

51. Domestic considerations argue against Boumediene's pressing the dispute with Morocco to the point of open military confrontation. Some of his key advisers have criticized his handling of the Sahara problem and would almost certainly oppose direct military action against Morocco. Moreover, it is unlikely that many Algerian soldiers have much taste for playing a dominant role in a struggle that they do not consider their own.

52. Over the past year, Boumediene has devoted the bulk of his attention to domestic problems, not the

Sahara. Faced with growing popular disillusionment and criticism of his policies, he has sought to consolidate his control and place a stamp of legitimacy on his authoritarian regime. Having recently completed the first major cabinet shakeup since 1970, Boumediene is likely to continue to focus his attention on domestic politics over the near term.

53. Another constraint against Algerian-initiated hostilities may be the vulnerability of its liquefied natural gas (LNG) plants. LNG plants are among the most vulnerable industrial plants being operated anywhere in the world. They contain volatile gas under intense pressure and any rupture is likely to cause a violent explosion that would destroy the whole plant and surrounding facilities. Algeria is counting heavily on future sales of gas to help finance its economic development program and provide foreign exchange. One operational plant is located at Arzew, less than 200 kilometers from the Moroccan border; another one, partially operational, is at Skikda in eastern Algeria. Additional plants are in various stages of planning or construction at these sites and at a third location east of Algiers.

54. A short conventional war would impose little strain on Algeria. If a war continued for some time, however, some economic strains would occur. If technicians and other skilled workers—who are in short supply—were drafted, this could affect oil and gas production, the lynchpin of the economy. In addition, Algeria would not want a long war which would frighten away potential Western lenders and interfere with development plans. Algeria is also anxious to obtain Western technology for various industrial and LNG projects and is borrowing heavily on world markets to finance them.

#### Terrain and Logistic Restraints

55. Terrain and logistic considerations would also deter sustained conventional operations. In the northern Moroccan/Algerian border region there exists only one favorable avenue of approach into Morocco. Algerian forces advancing through the Oujda area could move relatively freely up to the city of Taza; west of Taza, however, the terrain becomes more rugged, with movement obstructed by steep hills, mountain slopes, and narrow valleys. This route would permit only localized off-road movement and forces would be channelized except in the limited plains areas near Oujda and east of Taza.

56. In the rolling plains and scattered mountainous areas south of Oujda, there are no major avenues of

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approach from Algeria to strategic Moroccan positions. Movement westward would necessitate crossing the rugged Atlas mountain range. Routes through the area are narrow and winding, and forces would be confined to a single road which could be easily interdicted.

57. Algeria's strategic areas are much closer to the border than are Morocco's. But Moroccan forces would have to move through difficult terrain to reach either the commercial port of Oran or the LNG plant at Arzew. From the plains surrounding Oujda to the Oran/Arzew area the road passes through rugged terrain where off-road movement would be limited. The road in the plains area is bordered by salt flats. Movement farther eastward would be confined to a very narrow valley within the Atlas Mountains, again limiting the potential for cross-country movement.

58. Cross-country movement in the rolling plains and plateaus of the border area near Tindouf would face no significant obstacles for a limited distance. Movement in and out of this region would be impeded, however, by the adjacent rugged terrain, especially on the Moroccan side. In the Saharan territory, rough terrain dissects the western sector and would make large-scale troop movements slow and laborious. The region provides little concealment from air observation and only localized cover from ground fire.

59. Poor logistic and transportation networks would hinder the resupply of both Moroccan and Algerian conventional forces fighting in the southern border area. The principal storage and supply depots of the Moroccan armed forces are concentrated in the northern regions of the country, and Algeria's are situated in around the capital. Rail transport systems could move materiel only part way; there are no rail lines south of Bechar in Algeria, and Morocco's southernmost railhead is at Marrakech. Highways in both countries are located mainly in the coastal regions. A single paved road extends northward from Tindouf, and there is only one major highway south of Agadir in Morocco. The Moroccans have a better air transport capability, but the number of airfields in the south able to handle transport aircraft is comparatively limited.

60. While terrain and logistic restraints will act as a deterrent to a conventional war in northwest Africa, the possibility of border clashes by overzealous troops cannot be excluded. However, due to the inability of either side to gain access to strategic targets, such a conflict would prove inconclusive and undoubtedly

provoke persuasive appeals for a cease-fire from Arab and African nations.

### Projected International Reaction to the Advent of Hostilities

#### Arab Reactions

61. The Arab states will continue periodic efforts to mediate the dispute and would step in quickly to negotiate an end to any hostilities between Morocco and Algeria. No matter what course the Sahara dispute follows, however, including even major hostilities, it is likely to have few repercussions elsewhere in the Arab world.

62. The dispute seems to be regarded by the other Arabs more as a distraction than as an opportunity for advancement of a cause, and the large majority of the Arabs simply wish the problem would go away. Few Arabs support either side with particular enthusiasm, and the dispute has not polarized the Arab states. Thus, Syria, remembering Rabat's participation in the 1973 Golan fighting, backs Morocco as does Iraq, which has territorial claims of its own. The Arabs, in short, are unlikely to allow their broader policies to be affected by their Moroccan and Algerian colleagues' problems.

#### Soviet Role

63. The Soviet Union has sought to avoid direct entanglement in the Sahara conflict because it does not want to have to choose between Morocco and Algeria—two states with which it wants to maintain good relations. Nevertheless, the Soviets do tend to place more importance on their relationship with "progressive" Algeria than they do on ties with the pro-US monarchy in Rabat. They view Algeria as an important leader among the Arab and nonaligned states. They have long-standing military assistance programs, a substantial economic aid program, and significant trade ties with Algeria.

64. Even so, Algiers has been an inconsistent friend for Moscow. It has publicly attacked Soviet aspirations in the Middle East and has rejected a special Soviet role among the nonaligned. Boumediene has also called periodically for the removal of the Soviet as well as the US Navy from the Mediterranean. The Soviets have apparently decided that they would have little to gain by more forthright support for Algiers although they remain a reliable source of military supplies. They recognize that Algeria wants to remain

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the principal foreign backer of the POLISARIO and is unlikely to grant Moscow substantial concessions in return for its support. The Soviets, who do not want to be drawn into a regional war, will probably keep Algeria uncertain about Soviet backing in the event of hostilities.

65. The POLISARIO guerrillas currently count for little in Moscow's calculations. The Soviets are undoubtedly aware of the movement's potential value but, unlike the situation in Angola, where the Soviets had long-standing ties with the MPLA, Moscow has so far had few if any contacts with the POLISARIO and does not recognize the SDAR. Further, they have not provided the guerrillas direct military support. The Soviets apparently believe that the POLISARIO faces a long, uphill struggle. This too is in contrast to the situation in Angola, where the Soviets saw the possibility of a quick MPLA victory once the Portuguese withdrew.

66. As for Morocco, the Soviets have important reasons for wanting to remain on good terms with King Hassan. With an eye to Morocco's strategic location, Moscow has for several years quietly sought to woo him away from total dependence on the West. At the least, the Soviets do not want to push Morocco closer into the arms of the US.

67. Moscow also has significant commercial dealings with Rabat. Of long-term importance is the deal Moscow has been trying to negotiate for development of the Meskala phosphate deposits. This 20-year arrangement would be the largest single accord Moscow has ever negotiated with a Third World country. It probably demonstrates the importance to the Soviet agricultural program of developing a stable source for this critical fertilizer component. Recent evidence indicates a tentative deal on this project has been reached but final agreement may be linked to Soviet good behavior on the Sahara. Moscow has also supplied minor amounts of military equipment.

68. If the current pattern of sporadic skirmishing in the Sahara continues, the Soviets are likely to try to pursue their balancing act. In order to retain their credentials in Algiers, they may establish some low-level contacts with the POLISARIO movement and expedite deliveries of arms to Algeria promised under the 1975 agreement, but they would probably couple this with intensified efforts to assuage Rabat.

69. Should large-scale fighting break out, the Soviets would offer political backing to Algeria and might make at least a limited effort to resupply

Algerian arsenals. This might consist of a few token resupply flights and an increased flow of seaborne arms deliveries. The Soviets might also seek to increase use of Libya as an intermediary for arms transfers. Nevertheless, Moscow is not likely to underwrite an all-out Algerian military effort against Morocco.

70. The attitude of the United States toward a Moroccan-Algerian conflict would have an important bearing on Soviet policy. The Soviets do not currently view the Sahara issue as a superpower contest. But if the United States moved dramatically to increase military shipments to Rabat, the Soviets would be under greater pressure to increase their aid to Algeria.

#### French Interests

71. France has taken a pro-Moroccan stand on the Western Sahara issue, because of its economic interests and arms relationship with Morocco and their mutual security interests elsewhere in Africa. Paris also wants to remain on good terms with Algeria, and hopes to preserve its important trade relations with both countries. The French recognize the prominent role Algeria plays among developing countries—a group with which they want to develop closer ties—but they do not want Algeria's influence strengthened, especially at Morocco's expense. At the moment, in the aftermath of the 1 May POLISARIO raid on Zouerate during which two French citizens were killed and six kidnapped, French-Algerian relations are at a low point. The French Foreign Minister's accusations of Algerian complicity provoked sharp diplomatic and propaganda attacks by Algeria.

72. Paris is primarily concerned that Hassan's moderate government might be replaced by a "progressive" regime as difficult to deal with as Algeria. French officials are worried that the current situation will eventually deteriorate into open warfare and periodically suggest that Western governments should encourage Arab mediation efforts.

73. Although France would prefer to avoid involvement in the dispute, in early 1976 President Giscard d'Estaing offered to play a mediating role if asked by both sides. If serious fighting develops between Morocco and Algeria, Paris is likely to repeat its offer. The French probably would also expedite delivery of previously ordered equipment to the Moroccans and might send some additional military advisers.

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### US Strategic and Economic Interests in Northwest Africa

74. The US has important economic and strategic interests in northwest Africa which could be affected by the Western Sahara conflict [REDACTED]

75. The logistic asymmetries of US and USSR naval forces are less apparent in the Mediterranean than in other areas of the globe because of the relative closeness of Soviet shore bases. Nonetheless, the Soviets lag in developing a full range of mobile support capabilities and seek repair facilities both to ease the overcrowded Soviet Northern Fleet bases and to allow Soviet submarines to linger longer in the area. This has led them to continue to seek access to Mediterranean ports. They have intensified their search for facilities since they lost their support and repair base in Alexandria. So far, the Soviets have been unable to obtain major base rights in the western Mediterranean, but Morocco and Tunisia have permitted limited numbers of routine port calls and Algeria has recently begun to allow light repairs and maintenance of submarines alongside Soviet auxiliaries anchored at Annaba. Algeria has, however, steadfastly rebuffed Soviet attempts to obtain repair facilities and wider access to installations in Algiers and Mers el Kebir.

76. By comparison, the US position is relatively favorable. In addition to its base rights in Western Europe, the US Sixth Fleet, including nuclear-powered vessels, is welcome in ports in historically pro-Western Morocco and Tunisia. In a more general way, Morocco has provided the US a two-way conduit for information and contacts, and frequently has given public and private support to US initiatives in the Middle East and elsewhere. [REDACTED]

[REDACTED] Current US investment in Morocco totals about \$70 million and at some point in the future Morocco's enormous phosphate reserves may also stimulate increased American interest.

77. The US has only limited interests in Mauritania, and has no important treaties or agreements with Nouakchott. Mauritania is a useful channel into Third World councils, however, and over the past year the Mauritians, recognizing the importance of US technology and resources for economic development, have occasionally supported the US on multilateral issues.

78. The US has significant economic interests in Algeria. Algeria imports large quantities of capital goods and technical services from the US. American companies presently have contracts totaling over \$6 billion, with prospects for \$10 billion more. Algerian exports to the US amounted to over \$2.3 billion in 1976, including crude oil which accounts for approximately 8 percent of total US oil imports. In addition, Algeria has the world's fourth largest reserves of natural gas and wants to export about half of its output in a liquefied form to the US. Algeria has shown itself to be a responsible business partner and has recently expressed a desire for a stable economic relationship with the US. Over the longer run this could result in more cooperative US relations with what appears to be the most important state in northwest Africa.

79. The present situation in the Western Sahara does not prevent the development of stable, mutually beneficial US Algerian relations within the context of ongoing US military aid to Morocco. Thus far Algeria has not let the pro-Moroccan "neutrality" of the US on the Western Sahara stand in the way of its search for more stable economic relations with the US. Morocco, for its part, is grateful for continued US military aid and tacit support for its Saharan claims. It probably will continue to favor US positions in the Middle East and in international forums so long as the US-Algerian economic relationship does not lead to a weakening of US support for Morocco's Western Sahara policy.

80. Any major escalation of the Saharan conflict, on the other hand, would pose significant problems for the US by greatly enhancing the potential for internationalization of the conflict. Algeria's dependence on the Soviet Union as its major arms supplier would be increased and the influence Moscow obtained from this role might persuade the Algerians to give the USSR greater access to Algerian port facilities. Morocco would expect accelerated arms and munitions deliveries from the US, as well as visible American identification with Morocco in the dispute. Taking sides, however, would jeopardize the substan-

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tial US economic interests in Algeria. Given the more likely case of a continuation of the guerrilla war at its present level, the present US policy of honoring its long-standing military aid commitments to Morocco (see Table 2) and providing it with limited diplomatic support, while responding to Algerian overtures for more permanent US-Algerian economic relations, minimizes the risk to our interests. While prospects for a negotiated settlement of the dispute are not currently promising, the encouragement of mediation efforts by third parties should not be ruled out as a means of keeping the dispute within bounds, if not of reaching a settlement.

### Prospects for a Settlement

81. Settlement efforts have not progressed during the past year. Neither Morocco nor Algeria has yet shown a willingness to back away from its basic position. While there are some indications that Boumediene has become interested in a face-saving way out of the Sahara problem, he continues to insist on some form of genuine Saharan self-determination, which the Moroccans and the Mauritians categorically refuse to consider. Continued resistance by elements of the Saharan population, as well as the presence of large numbers of refugees in Algerian territory, provides Algiers with the means for continuing to challenge the legitimacy of Moroccan and Mauritanian control. Although Boumediene's approach to the Sahara issue does not enjoy widespread support in Algeria, where many think it an unnecessary diversion of Algerian resources, his personal commitment, both public and ideological, is likely to preclude abandonment of the POLISARIO cause.

82. The Moroccans, for their part, consider the case closed on the Saharan issue. They are fully convinced that their claim is just and are willing to bear the costs of the guerrilla war, including an increased level of support for Mauritania. As noted earlier, the close linkage between the success of Hassan's Saharan policy and his internal popularity leave him little room for maneuver.

83. Pacification of the Saharan population, leading to its acceptance of Moroccan and Mauritanian assimilation of the Western Sahara, seems to be the key to eventual peace in the region. Both Morocco and Mauritania have consolidated their administrative control of their zones, at least in the major population and resource centers, and both have attempted to mobilize popular support through development projects and by allowing Saharans to

vote in nationwide elections. Nonetheless, Mauritanian relations with local inhabitants remain considerably better than those of Morocco.

84. The Moroccans deeply alienated the Saharan tribesmen by their harsh treatment of the local population during their initial occupation of the northern zone. This has undermined Rabat's appeals to the refugees to return to their homes in the Moroccan-controlled zones. Aware of the problems posed by this alienation, Morocco is now attempting to win the allegiance of the approximately 40,000 civilians remaining in its zone, some of whom may be inhabitants of Morocco who have moved southward to fill the vacuum left by the departure of large numbers of Saharans. It has cultivated tribal leaders, has undertaken an economic development program for the Saharan provinces, and has begun to appoint Saharans to administrative positions, including one to a ministerial post in the national Cabinet. Nevertheless, mistrust and dislike continue to characterize the relations between Morocco and most of the Saharan population.

85. Mauritania has encountered less opposition from the local population in its attempt to assimilate its portion of the Sahara. Mauritanian troops were relatively restrained in their occupation of the territory and did not, for the most part, alienate the inhabitants. In addition, southern Saharans have close ethnic and linguistic ties with the Mauritians and have, therefore, had less difficulty in accommodating themselves to their new rulers. Eight Saharan representatives currently hold seats in the Mauritanian National Assembly.

86. The wide divergence in the fundamental objectives of Morocco and Algeria impedes attempts by international organizations and third parties to mediate the dispute. The UN General Assembly has avoided taking a stand on the issue, and the July 1976 OAU Summit postponed a decision until a special session could be convened in 1977. The special summit, if it convenes, would have little chance of success. The most promising mediation effort to date, begun by Saudi Arabia in late 1976, has made no progress, but diplomatic contacts are continuing. No settlement is likely to be achieved without outside assistance, especially from the Arab world.

87. We believe that any solution would have to contain the following elements:

- recognition by Algeria of Moroccan-Mauritanian sovereignty in the Western Sahara;

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- a face-saving formula for Algeria, involving a token "consultation" of the Saharan people, acceptance of Saharans who voluntarily return from Algeria together with some economic assistance for their resettlement, and possibly a limited, symbolic form of regional autonomy to satisfy the POLISARIO;
- economic inducements for the protagonists, including financial aid from outside parties (Saudi Arabia, for example), and possibly limited joint exploitation of the Sahara's mineral wealth and a guarantee to Algeria of access to the Atlantic; and
- ratification by Morocco of the 1972 border agreement.

88. We see these points as a skeletal outline for a negotiated settlement. Hassan's Sahara policy is tied to retaining the Sahara. We, therefore, see no likelihood that Rabat would consider any settlement that would substantially dilute Moroccan and Mauritanian control. Furthermore, we have no indication that Hassan plans to back down on other issues necessary to come to terms with Algeria—including a token consultation on self-determination.

89. Algeria's attitude is similarly unbending. Algiers alone is capable of exerting the pressure necessary to force a compromise from the POLISARIO, but Boumediene has both the will and the means to resist pressure—from without as well as within—for a compromise. Given the continued resilience and the growing military capability of the POLISARIO,

Table 2

**Military Assistance to Morocco\***  
(1975 to May 1977)

Supplier	Equipment Ordered	Delivery Data
US	Chaparral surface-to-air-missile	
	37 launchers	Jan 78 - May 78
	504 missiles	Jan - Jun 78
	37 M-730 carriers	Delivery completed
	TOW antitank guided missile	
	101 launchers	10 launchers/96 missiles delivered
	1,878 missiles	in July 1976; balance to be delivered May 77 - Mar 78
	Dragon antitank guided missile	
	428 tractors	Jan - Jun 79
	8,620 guided missiles and launchers	Jan - Jun 79
	389 M-113A1 armored personnel carriers	55 delivered; 334 to be delivered
		Jun - Dec 77
	54 M-48A3 tanks	All delivered
	54 M-48A5 tanks	Scheduled July 77
France	155-mm howitzers (value of contract—\$19.8 million)	Jan - Mar 79 (36 systems)
	Vulcan air defense system (value of contract—\$88.7 million)	Jan - Sept 78 (60 M-163 AA guns)
	300 AML-90 armored cars	25 delivered
	50 Mirage F-1 fighter aircraft	Delivery schedule unknown
	75 Ur 416 armored cars	All delivered
	6 F-5As	All delivered
	1,550 Land Rovers	All delivered
	1,200 mortars	1,100 delivered
	200 rocket launchers	All delivered
	250 106-mm recoilless rifles	All delivered
Belgium	150,000 7.62-mm rifles	All delivered
USSR	ZSU-23-4 AA guns	4 delivered
	ZU-23 AA guns	76 delivered
	BM-21 rocket launchers	12 delivered
	Antitank weapons, SA-7s and RPG-7s	Unknown number

\* Selected items of equipment. US military assistance is designed to equip two mechanized infantry brigades. Morocco is also procuring large numbers of vehicles, army and air force munitions, and a Westinghouse air defense radar system.

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Algeria has no reason to retreat. Boumediene undoubtedly believes that time, as it was during Algeria's own revolution, is on the side of the guerrillas. He probably will insist upon a settlement that gives Algeria an honorable way out of the dispute (as outlined above) and some form of economic gain.

90. Saudi Arabia's economic leverage, especially with Morocco and Mauritania, could possibly induce some flexibility. Mauritania could be forced by the threat of withdrawal of this Saudi support to demonstrate some give in negotiations. It is doubtful, however, that the Moroccans could be intimidated into making significant concessions to Algeria or the POLISARIO. Furthermore, it is unlikely that the Saudis would suspend financial assistance in order to impose a compromise. Even so, Riyadh has probably offered financial inducements to Algeria during its mediation efforts and could offer additional aid to tempt Morocco to be more forthcoming. We have no substantive information, however, on the occasional meetings between senior officials of Morocco, Mauritania, and Algeria held under Saudi auspices.

### Conclusions

91. Barring any settlement package, relations between Morocco and Algeria will remain strained and the risk will persist that cross-border operations could lead to an unintended escalation of tensions. Prevailing political, economic, and military factors, however, will dissuade both parties from embarking on the irrevocable course of a conventional war in the near term.

92. The POLISARIO movement has demonstrated success in diverting a significant amount of Moroccan and Mauritanian manpower and economic resources. Its lack of significant numbers of combatants, logistic restraints, and heavy dependence on limited external military support, however, prevent it from substantially improving its military capabilities. Morocco and Mauritania can contain, but not eliminate, the POLISARIO. A protracted guerrilla war, therefore, appears inevitable in the absence of major intervention by outside parties.

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